

Crown Corporation Business Plans 2016–2017

Housing Nova Scotia



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Message from the Minister and the CEO

We are pleased to present the Housing Nova Scotia business plan for 2016–2017. The plan outlines the corporation’s continued commitment to help lower-income Nova Scotians find a safe and affordable place to call home, in a healthy and vibrant community.

Increasing affordable housing opportunities for lower-income families, seniors, and persons with disabilities remains Housing Nova Scotia’s main focus. The preservation of existing stock and creation of new housing options are critical to ensuring that the corporation can meet its desired outcomes.

In 2016–2017, the corporation will continue its strategic investments to help preserve and expand its social housing portfolio from Deferred Federal Contributions. We will also explore opportunities to further reduce our impact on the environment by using technology to make our properties more energy efficient. Nova Scotians can also expect us to renew our effort on breaking the cycle of homelessness for the most vulnerable citizens.

Sincerely,

The Honourable Joanne Bernard
Minister responsible for Housing Nova Scotia

Dan Troke
President and Chief Executive Officer, Housing Nova Scotia

Federal infrastructure funding – note to readers:

Since Housing Nova Scotia's 2016–2017 Business Plan was prepared, the federal budget has been released, with proposed infrastructure funding related to affordable housing. Given that the specific details of the funding and the allocation to the Province of Nova Scotia will unfold over the coming months, the impacts of this funding have not been assessed or built into this plan. Consequently, the targets and goals of this plan may be revised or updated as additional information related to the federal infrastructure money is released.

Mandate

Housing Nova Scotia was created in August 2013. Prior to that, the organization had been known as the Nova Scotia Housing Development Corporation.

Housing Nova Scotia's mandate is defined under the Housing Nova Scotia Act and the Housing Act. It can be summarized as follows:

- To establish housing projects and construct housing accommodation of all types for sale or rent
- To plan, design, build, own, maintain, manage, and operate housing projects
- To construct, acquire, renovate, and maintain housing of all types and sell, lease, or otherwise dispose of such housing
- To promote, construct, and provide more adequate and improved housing for low-income households
- To improve the quality of housing and the quality of amenities related to housing

Housing Nova Scotia's strategic direction is moving the province forward in the following key areas:

- Promoting and supporting development of communities that are healthy, vibrant, and diverse
- Ensuring a range of affordable housing options for owners and renters
- Offering paths to ownership that help Nova Scotians become homeowners

- Building partnerships with communities, residents, businesses, non-profit organizations, and local governments
- Supporting independence, inclusion, and dignity for seniors, people with disabilities, and vulnerable Nova Scotians

Link to Government's Three Priorities

Priorities, Outcomes, and Goals

Housing Nova Scotia's planned actions for 2016–2017 are aligned with government's *People* priority and the related outcome to be achieved: *Nova Scotia's population is growing, productive, and thriving.*

Government's stated goals under this priority are to

1. increase net interprovincial and international immigration levels
2. enhance workforce participation of youth, older workers, and marginalized communities
3. enhance health and wellness outcomes
4. improve communities and social well-being

Actions

The specific actions Housing Nova Scotia will undertake in 2016–2017, which will support government in achieving these stated goals, are as follows:

Contribute to the preservation of the existing supply of affordable housing and the creation of new affordable housing options.

Through programming funded under the CMHC–Nova Scotia Agreement for Investment in Affordable Housing 2014–2019 (IAH agreement), as well as other provincially funded programming, Housing Nova Scotia continues to help improve the living conditions of households in need.

This action aligns with Housing Nova Scotia's mandate to improve the availability and quality of housing for low-income households. In addition, this action supports the enhancement of government's health and wellness outcomes as well as the improvement of communities and social well-being. The ongoing delivery of our grant and loan programs – including our home repair and adaptation programs for low-income households, including families, seniors, and persons with disabilities – helps to ensure access to housing that is healthy, safe, suitable, and sustainable. Through assistance under these programs, eligible households are able to remain in their homes and their communities.

Furthermore, Housing Nova Scotia's programs that assist private sector and not-for-profit developers in the creation of new affordable rental housing contribute to the overall availability of affordable housing in our province. This provides support for new immigrants, as well as youth, older workers, and marginalized communities, in being

able to access safe and affordable housing, participate in the workforce, and remain in Nova Scotia.

It should also be noted that the outcomes identified by CMHC under the IAH agreement include the fostering of skilled labour by supporting apprenticeships in the residential housing sector. This aligns with government's *Education* priority and its goal to improve workforce participation and entrepreneurship by improving opportunities for skills development through post-secondary education, apprenticeship, co-operative education programs, and internships.

Preserve and expand our social housing stock through ongoing strategic investments from Deferred Federal Contribution funds under the Social Housing Agreement.

Housing Nova Scotia is fulfilling its mandate to maintain its existing housing stock while providing more options for adequate and affordable housing. One action that Housing Nova Scotia is taking to meet this objective is the continued investment of Deferred Federal Contribution funds currently available in the amount of \$42 million over 10 years. This includes the following:

- Upgrading the province's existing family and seniors' aging public housing stock. Investments are being aimed at heating upgrades, making our properties more accessible, replacing structural components such as roofing and windows, upgrading sprinkler and fire alarm systems, and living area upgrades and improvements.

- Retrofitting co-operative housing stock to maintain its long-term viability through necessary repairs to structural, electrical, plumbing, and heating elements, and modifications for accessibility.
- Establishing more rent supplement units across the province to address and target those areas with the greatest need for affordable housing. Tenants for these new units will come from households on public housing wait lists.

This action supports the enhancement of government's health and wellness outcomes and the improvement of communities and social well-being. Through the repair, upgrade, and revitalization of public housing, improvements to the physical condition of the co-operative housing stock, and creation of additional rent supplements, Housing Nova Scotia is ensuring ongoing access to healthy, safe, and affordable housing for some of the most vulnerable Nova Scotians and contributing to their overall well-being and that of the communities in which they live.

[Continue to explore opportunities for targeted neighbourhood revitalization in communities throughout Nova Scotia.](#)

This priority is focused on exploring further opportunities to expand the Neighbourhood Improvement Initiative to more communities. The program supports the repair and upgrade of existing homes and structures and building new affordable housing through residential in-fill construction. In 2013, the Alice Street area in Truro was the first designated Neighbourhood Improvement Area in the province. Since then, initiatives have also been launched in the New Aberdeen area of Glace Bay and the Main Street area of Yarmouth. In 2016–2017, Housing Nova Scotia will look to partner with a minimum of two communities and leverage additional

investment from participating municipalities and the private sector. Housing Nova Scotia will also be evaluating the current neighbourhood improvement demonstration program to inform the recommendation to establish a permanent program.

Neighbourhood revitalization fosters healthy, vibrant, and diverse communities, a key strategic objective of Housing Nova Scotia. It also supports government's health and wellness outcomes and the improvement of communities and social well-being. The neighbourhood improvement initiatives introduced by Housing Nova Scotia contribute to building healthy and diverse communities by improving existing older urban residential neighbourhoods and their long-term viability. These initiatives help stabilize the targeted neighbourhoods by improving the condition, appearance, safety and physical longevity of housing.

[In collaboration with the Halifax Housing and Homelessness Partnership, support the Housing First project and the commitment to end homelessness in the Halifax Regional Municipality by 2019.](#)

In 2015–2016, Housing Nova Scotia committed to the Housing First project in HRM by providing funding subsidies for rent supplement units to help chronic and episodic users of emergency shelters transition to more permanent housing. Project funding for Housing First is provided by the federal government's Homelessness Partnering Strategy.

Housing Nova Scotia will also continue its ongoing financial commitment for other programs that help homeless individuals or individuals at risk of becoming homeless. In 2016–2017, we will continue our investment in the Housing Support Worker

Program for the Halifax area. We will also invest in rent supplement unit subsidies for emergency shelter providers and make funding available through the Shelter Enhancement Program to upgrade existing shelters and secondary-stage housing for victims of family violence across the province.

This action targets helping homeless individuals or individuals at risk of homelessness in being able to access safe, healthy, and affordable housing. It supports Housing Nova Scotia's strategic objectives to build partnerships and foster independence, inclusion, and dignity, particularly for vulnerable Nova Scotians.

Housing Nova Scotia's participation in HRM's Housing First project is helping to support people in making the transition from emergency homeless shelters into more long-term housing. The first step in providing access to stable housing will allow project participants the opportunity to access the support services they need to help improve their health and well-being, thereby contributing to government's overall objectives in this area.

[Explore and look for opportunities to pilot affordable home ownership programs that will target first-time homebuyers, similar to programs offered in other jurisdictions.](#)

In piloting or exploring opportunities to deliver affordable home ownership, targeting first-time home buyers, Housing Nova Scotia will contribute to the availability of affordable housing options and offer paths to home ownership for Nova Scotians. The availability of such opportunities will support youth and recent immigrants in making the decision to remain in the province,

participate in the workforce, and become members of healthy, diverse communities. This will also support government's health and wellness outcomes as well as contribute to the improvement of our communities and overall social well-being.

Inputs

It is anticipated that Actions 1 through 4 can be undertaken within Housing Nova Scotia's proposed 2016–2017 budget allocation and FTE complement. Potential budget and FTE implications for Action 5 in 2017–2018 will be determined as the recommendation for a home ownership program is developed in 2016–2017.

Core Responsibilities

Core Services, Outcomes, and Goals

Government has established the following outcome in relation to the effective and efficient delivery of core services including education, health care, community services, infrastructure, and other public services:

The delivery of core services by government to Nova Scotians is effective and efficient, and the budget is balanced with an expected surplus by 2017–2018.

Housing Nova Scotia's core function is to ensure the availability of safe, suitable, and affordable housing for all Nova Scotians, at every stage of life. We are committed to carrying out our core activities effectively and efficiently and strive to identify opportunities for continuous improvement.

The following core business areas support Housing Nova Scotia in fulfilling its mandate and delivering on its objectives and planned actions:

- Portfolio management:
 - Overseeing the operations of housing authorities who manage the provincially owned public housing portfolio, including the provision of technical services
 - Overseeing the operations of the co-operative and non-profit housing portfolio
 - Overseeing remaining social housing portfolios (urban native and rural and native housing)
 - Asset and risk management
- Acquisition and disposal of real estate
- Land development – designing and constructing housing projects, including mixed-income, mixed-tenure developments
- Program delivery – designing and delivering a range of housing programs and services, including social housing, affordable housing, development of new housing, home repair, renovation, and adaptation; programs for home owners, landlords, seniors, and persons with disabilities; and home ownership options and support for homeless individuals and individuals at risk of homelessness

Actions

In support of more effective and efficient core service delivery, Housing Nova Scotia has identified the following actions for 2016–2017:

Operational Effectiveness and Improvement

1. Develop a comprehensive capital asset management process based on industry best practices, including an annual reporting component, to support long-term capital asset planning and investment.
2. Undertake a review of Housing Nova Scotia's existing land bank to assess purpose and future use of holdings for the creation of affordable housing. This will involve completing a comprehensive inventory of properties to identify land for development or disposal over both the short and long terms.
3. Initiate a review of our existing home repair loan and grant programs to identify opportunities to streamline and improve effectiveness and efficiency and to achieve enhanced service delivery.
4. Complete a governance review to ensure that Housing Nova Scotia's structure and operating model support us in the effective and efficient delivery of our mandate.

Sustainability and Efficiency

1. Establish an energy consumption baseline for the public housing stock to better understand current consumption levels.
2. Investigate opportunities to leverage existing programs and partnerships, including those with Efficiency Nova Scotia and Clean Nova Scotia.
3. Identify and pilot the use of two new technologies in 2016–2017 that could contribute to reductions in energy consumption.

Leveraging Partnerships

1. Continue to build partnerships with communities, the private sector, non-profit organizations, and other levels of government to identify opportunities to incorporate innovation, best practices, and efficiencies in our existing program delivery. This will include
 - ongoing participation on the Halifax Housing and Homelessness Partnership
 - continued partnership with the Nova Scotia Homebuilders Association in the pilot of a development on Circassion Drive in Cole Harbour that will provide the opportunity to test and demonstrate opportunities for smaller, more affordable home ownership options
 - exploring and evaluating opportunities to partner with the private sector to pilot and test new designs, including smaller units, within the proposed College Park development to advance affordable housing options and more affordable home ownership options
 - continued partnership with Habitat for Humanity in the development of affordable home ownership options

Inputs

It is anticipated that Housing Nova Scotia will be able to undertake these actions within Housing Nova Scotia's current budget allocation and FTE complement.

Performance Measures

Housing Nova Scotia is supporting government's priorities of improving the efficiency and effectiveness in the delivery of core responsibilities and service delivery through the actions noted above. In 2016–2017, progress will be assessed through achievement of the following:

- Implement an enhanced capital asset management process and annual reporting template.
- Complete a comprehensive land inventory database identifying properties to hold or pursue for future development or active disposal.
- Bring forward recommendations for changes to improve the effectiveness and efficiency of home repair loan and grant programs.
- Complete review and bring forward recommendations for any required changes to the governance structure or operating framework to improve efficiency and effectiveness in delivering our mandate and programming.
- Establish an energy consumption baseline.
- Identify and launch pilots for two new technologies aimed at reducing energy consumption.

Housing Nova Scotia is continuing to refine its performance measures to identify those that are most meaningful, informative, and based on established reporting mechanisms, such as the annual report of outcomes and results under the CMHC–Nova Scotia Agreement for Investment in Affordable Housing 2014–2019.

In 2016–2017, Housing Nova Scotia will use the following measures to help assess the success of the actions identified in this business plan:

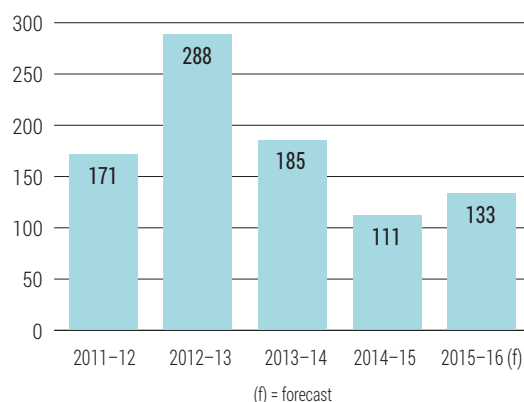
Core Business Area: Program Delivery and Land Development

Contribute to the supply of sound, suitable, and affordable rental housing.

One of Housing Nova Scotia’s priorities is to increase the supply of affordable housing units, all of which are sound, suitable, and sustainable. Under the 2014–2019 Investment in Affordable Housing, Housing Nova Scotia directly contributes to the affordable housing stock through its affordable housing programs in partnership with both the public and private sectors. This measure captures the affordable rental units created and preserved under the IAH agreement and is an indicator of progress toward ensuring affordable housing options for Nova Scotians.

The chart below displays the number of units Housing Nova Scotia created and preserved within the past five years. These units remain affordable for a 10- to 15-year period. Housing Nova Scotia will continue to contribute to affordable housing stock in

Number of affordable units created and preserved

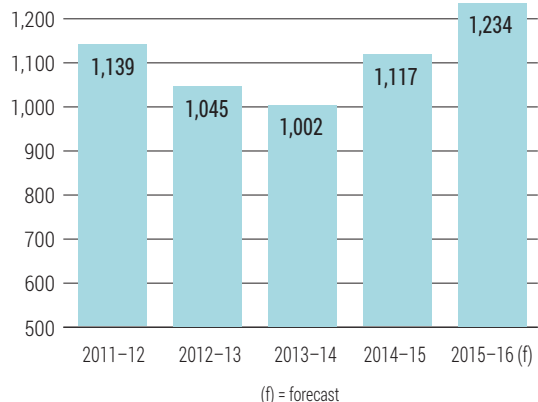


Nova Scotia in 2016–2017 and will strive to maintain or increase the number of affordable units that have been created and preserved, compared to recent years.

Continue to support low-income households in Nova Scotia by facilitating access to healthier, safer and sound housing through major health-and-safety-related repairs.

With some of the oldest housing stock in Canada, Housing Nova Scotia continues to offer programs to improve the health and safety of homes within the province. The number of repairs funded by Housing Nova Scotia is an important indicator of the assistance it provides to households such that their homes are made safer and more livable. It is also an indicator of progress in maintaining the housing stock. Housing Nova Scotia supports homeowners and renters directly by offering programs that allow them to live in their homes for longer periods of time. In 2016–2017, Housing Nova Scotia will continue to offer programs to support health-and-safety-related repairs for households within the province, with the target of maintaining or increasing the number of homes preserved through major health and safety-related repairs in recent years.

Number of homes preserved through major health-and-safety-related repairs

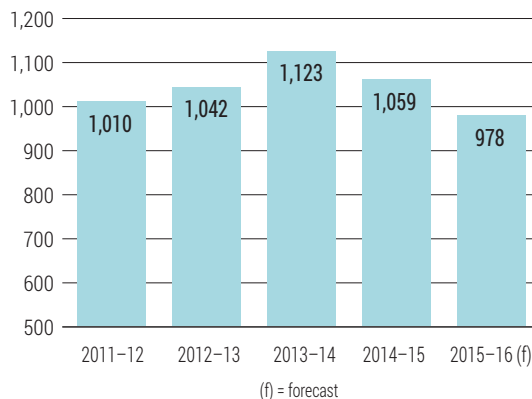


Continue to support seniors and individuals with disabilities by helping to ensure housing is safe and adapted to their needs so they can continue to live independently in their own homes.

Assisting low- to moderate-income seniors and persons with disabilities in continuing to live independently in their own homes is a key objective of Housing Nova Scotia's home repair and adaptation programs. This measure is the number of approved households under the health-and-safety-related repair and adaptation programs, designed for low- to moderate-income seniors and persons with disabilities. The financial assistance provided for home repairs helps ensure that these homes are safe and allows households to remain in their chosen community.

The chart below displays Housing Nova Scotia's ongoing work to support these populations. In 2016–2017, Housing Nova Scotia will work to maintain or increase the number of households with seniors or persons with disabilities that are helped through these home repair and adaptation programs and supported in continuing to remain independent.

Number of households with seniors or persons with disabilities helped by health-and-safety-related repairs or home adaptations that will enable them to continue to live independently in their own homes and communities



Core Business Area: Portfolio Management

Increase the number of co-operative housing organizations that achieve a ranking of Level I or a high Level II based on an annual assessment of their financial, democratic, and physical condition.

Ranking is defined by the overall health of a co-operative, based on a review of various financial statements, building/property reports, and governance documents to identify specific factors regarding a co-operative's business practices. These business practices are assessed as a whole to determine the co-operative's ranking on a four-point scale ranging from Level I (highest ranking) to PID (project in difficulty).

Ranking provides a standardized method of measuring the specific factors that have been determined to be good indicators of the overall health as a viable organization. In 2014–2015, 47 per cent of co-operatives under the Social Housing Agreement (SHA) achieved this ranking, and Housing Nova Scotia will continue to work to ensure that the financial, democratic, and physical condition of co-operatives improves. In 2016–2017, Housing Nova Scotia will work to ensure that 54 per cent of co-operatives under the SHA achieve these rankings.

Core Business Area: Waitlist Management

Continue to work to reduce public housing waitlists throughout the province by placing families and seniors in safe, affordable housing. Housing Nova Scotia will also work in conjunction with the Disabilities Support Program to support individuals with disabilities in finding safe and stable housing, adapted to their needs, so they can live independently in their own homes.

In 2015–2016, Housing Nova Scotia was able to reduce the overall public housing waitlist by more than 10 per cent through the addition of new units, ongoing waitlist management efforts, and the administration of rent supplements. Continuing to reduce the public housing waitlist by another 10 per cent will be the target for 2016–2017. In addition, through partnership with the Disabilities Support Program, Housing Nova Scotia will look for opportunities to reduce this program's waitlist by the same percentage.

Budget Context

Funding source	Estimate 2015–16 (\$ 000)	Forecast 2015–16 (\$ 000)	Estimate 2016–17 (\$ 000)
Revenue from government sources	113,153	108,876	116,842
Revenue from rents	57,521	56,642	57,301
Interest, revenue from land sales, and other revenue	36,405	35,696	34,774
Total funding	207,079	201,214	208,917
Expenditure source			
Interest on long-term debt	42,778	42,224	41,512
Property management and operation	60,425	59,098	61,035
Maintenance and capital improvements	37,771	38,720	38,720
Housing renovation and affordable housing	22,810	21,266	22,810
Social housing subsidies	20,295	16,701	21,980
Depreciation of investment in social housing	21,000	21,625	20,700
Provision for doubtful accounts	—	750	660
Housing strategy	2,000	830	1,500
Total expenditures	207,079	201,214	208,917